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C O N F I D E N T I A L SECTION 01 OF 02 ABU DHABI 001680

SIPDIS

E.O. 12958: DECL: 04/13/2015 TAGS: <u>PREL ECON IZ IR TC</u>

SUBJECT: AMB. JONES CONSULTS WITH SHEIKH HAMDAN ON IRAQ

Classified By: AMBASSADOR MICHELE J. SISON, REASONS 1.4 (B) AND (D).

- 11. (C) Summary: Senior Advisor and Coordinator for Iraq Policy Ambassador Richard Jones consulted with Deputy Prime Minister/Minister of State for Foreign Affairs Sheikh Hamdan bin Zayed on April 12 on Iraq developments. Ambassador Jones, who had been in Iraq three days earlier, briefed Sheikh Hamdan on the formation of a new government, and outlined key U.S. and Iraqi priorities, chief among them, defeating the insurgency and completing the political process. Sheikh Hamdan expressed concern over Iranian interference in the Iraqi political process and pledged continued UAE support to the Iraqi people. Ambassador Jones also briefed ambassadors and charges from G-8 and coalition country embassies. End Summary.
- 12. (SBU) On April 12, Deputy Prime Minister and de facto Foreign Minister Sheikh Hamdan discussed Iraq with Ambassador Richard Jones, Senior Advisor and Coordinator for Iraq Policy. Sheikh Hamdan was accompanied by his office director, Sultan Al Romeithi; MFA Under Secretary Abdullah Rashid Al Noaimi; MFA GCC Director Abdullah Al Mazrouie; and the UAE Charge in Baghdad, Ali Al Ka'abi. Ambassador Jones was accompanied by the Ambassador; Larry McDonald, Director of the Department of Treasury Office of Reconstruction; Col. Philip Smith, Chief, Coalition Strategy Branch, Joint Chiefs of Staff; Executive Assistant Matthew Fuller; and Pol Chief (notetaker).

Concerns About Iran

13. (C) Ambassador Jones thanked the UAE for close cooperation with the U.S. on Iraq. Sheikh Hamdan noted that the UAE and the U.S. have common interests in Iraq and urged collaboration in the run-up to the December 2005 elections. He criticized the U.S. and its allies for being too focused on the security and military aspects of Iraq when, in his view, we should have been addressing Iran's spreading influence in Iraq more forcefully. Iran has very clear objectives regarding Iraq. Sheikh Hamdan expressed concern regarding Iran's nuclear program. He expressed particular concern that if the Interior Minister post went to someone close to Iranian intelligence, there could be assassinations of Sunnis and liberal-minded Sunnis. While the U.S. shares the UAE's concerns about Iran's influence in Iraq, Ambassador Jones said there was no evidence that Iran was behind the current violence. He added that we would learn from our mistakes, and that one of his duties as Coordinator for Iraq Policy was to adjust policies to make them more effective.

Overview of Key Priorities

- 14. (C) Noting that he had met with all members of the Presidency Council and other senior Iraqi officials during his latest visit, Ambassador Jones stressed that there was agreement that the key priorities were to defeat the insurgency, and to complete the political process on schedule. The new constitution must be drafted by August 15 and ratified in a referendum by October 15, and a new government must be elected by December 15 and take office by December 31. While the Transitional Administrative Law allows for a six-month slippage, the U.S. is encouraging Iraq to adhere to the timetable and continuing to appeal to all Iraqis to participate in the process. Other priorities include strengthening the rule of law through capable law enforcement, judiciary, and correctional systems; providing essential services such as electricity, water and fuel; and promoting economic security through job creation, debt forgiveness, implementation of IMF agreements, and restoration of the agricultural sector.
- 15. (C) Sheikh Hamdan acknowledged that the task ahead was a very difficult one and he wished the U.S. every success. He added that it was critical to restore stability and security in Iraq as that would encourage Iraq,s neighbors to help out. Sheikh Hamdan agreed that the political process should not be delayed, and offered to cooperate by tapping the UAE's network of contacts inside and outside Iraq. He said Iyad Allawi was a friend of his and of his brother, Abu Dhabi Crown Prince Sheikh Mohammed, and opined that Allawi had not done well in the January elections because members of his own group had let him down. Ambassador Jones said Allawi's group could still play a role in government, particularly if it is able to claim Allawi's objectives of either the Defense or

Interior portfolio, the energy portfolio, and two essential "service" portfolios (such as electricity). Sheikh Hamdan commented that Allawi could have more influence by working inside the power structure. He said that Allawi would be visiting him in the coming days.

Security Update

16. (C) Ambassador Jones briefed Sheikh Hamdan on Coalition efforts to rebuild the Iraqi security forces. He thanked the UAE for offering its police and military training facilities to the Iraqis being trained by Germany, and for supplying surveillance aircraft, Armored Personnel Carriers, and ships to the Iraqis. The UAE has assisted with military and police training as well (the latter with Germany). Sheikh Hamdan said the majority of Iraqis in uniform are soldiers and police officers who served their country and want to take care of their families. He applauded the new direction the Coalition is taking, including plans to have trained and equipped 270,000 security personnel by summer 2006 and to transfer eight regional commands to Iraqis. Sheikh Hamdan said that the UAE Charge in Baghdad had informed him that the situation in Fallujah remained difficult, and that most of the 300,000 residents forced to leave the city had still not returned. Ambassador Jones acknowledged that the situation was bad, but was improving, and that about 90,000 of the city's 300,000 residents had returned home. He said U.S Marines were working hard to restore basic infrastructure, and that the U.S. was committing \$70 million on reconstruction projects.

Debt Relief

- 17. (C) Ambassador Jones described existing Iraqi debt and the terms of the Paris Club agreement, and urged the UAEG to offer terms at least as generous as those of the Paris Club. He noted that, given the estimated \$50 billion that Iraq owed the UAE, Kuwait, and Saudi Arabia, announcements on this issue by the UAEG and its sister governments would be more significant than the Paris Club decision. Ambassador Jones also described a proposed June U.S. and EU-sponsored conference on Iraq. Sheikh Hamdan wanted to know if the Saudis and Kuwaitis had made firm commitments to reduce Iraqi debt, and whether a public statement would be preferable before or during the conference. Ambassador Jones replied that Kuwaiti Prime Minister Sheikh Sabah Al Ahmed Al Sabah had told him April 9 that Kuwait would be "generous" and that Saudi Crown Prince Abdullah had said that debt relief was important to Iraq's stability. A UAE public commitment to cancel Iraq's debt would be welcome at any time, although issuing a statement before the conference could encourage other countries to come forward with support of their own, Ambassador Jones said. Sheikh Hamdan noted that Special Envoy Baker had discussed this issue with then-Abu Dhabi Crown Prince Khalifa bin Zayed in January 2004.
- 18. (C) Sheikh Hamdan told Ambassador Jones that the Siemens generators that the UAE had pledged as part of its \$215 pledge at the Madrid Conference were still being warehoused in UAE because of "complications" on the Iraqi side. Ambassador Jones said the generators should be a welcome addition because Iraq still has significant challenges in meeting the demand for electricity. Sheikh Hamdan thanked Ambassador Jones for trying to help resolve the issue. (Note: We understand that the UAEG had requested support from the Germans and possibly other donors to pay for the shipment and installation of the generators. We are seeking further details on the size and specifications of the generators to convey to Ambassador Jones.)
- 19. (C) Prior to meeting Sheikh Hamdan, Ambassador Jones briefed G-8 and coalition country Ambassadors/charges. They sought clarification about the upcoming conference, GCC countries' positions on debt relief, and Iran. In response to a question about growing Iranian involvement in Iraq, Ambassador Jones stated that as its Iraqi allies gain power in their government, they would be less likely to take instructions from Iran. The French Charge inquired whether the U.S. was concerned about Moqtada Al Sadr's influence, and whether we talk with him. Ambassador Jones said the press has exaggerated Moqtada's influence, and that this was mostly an intra-Iraqi affair between Iraq's prominent Shi'a families Al Sadr and Al Hakim. The USG talks to Moqtada's aides, but not to Moqtada himself because he is the subject of an arrest warrant issued by an Iraqi judge in connection with the murder of moderate Shi'a leader, Abdul Majid al Khoel, in April 2003.
- 110. (U) Baghdad minimize considered.
- $\P11$. (U) This message was cleared by Ambassador Jones. SISON